



# NEWS RELEASE

## Administrative Office of the U.S. Courts

August 10, 1998

Contact: Karen Redmond

### Personal Bankruptcies Fuel Increase in Filings

In the 12-month period ending June 30, 1998, bankruptcy filings in federal courts nationwide increased 8.5 percent over the same period in 1997, according to data released today by the Administrative Office of the U.S. Courts. The increase occurred in spite of a decline in the number of business bankruptcies filed. Non-business or personal bankruptcy filings increased 9.2 percent in the 12-month period.

Filings in the 12-month period ending June 30, 1998, totaled 1,429,451, an all-time high. In comparison, 1,316,999 bankruptcies were filed for the 12-month period ending June 30, 1997. Bankruptcy filings topped the one million mark for the first time in June 1996.

The number of bankruptcy cases filed during the third quarter (April 1, 1997—June 30, 1998) of the Judiciary's fiscal year 1997 totaled 373,460. The second quarter (January 1, 1998—March 31, 1998) bankruptcy filings were 354,118, until now the highest number ever filed for a quarter. Filings in the first quarter of fiscal year 1998 (October 1—December 31, 1997) totaled 347,685.

The number of bankruptcy filings has increased the workload of federal bankruptcy courts. While cases terminated between July 1, 1997, and June 30, 1998, rose 18.6 percent, the number of cases pending increased 4.9 percent. The Judiciary has asked Congress for additional bankruptcy judgeships to handle the rising caseload. New bankruptcy judgeships were last created in 1992 and since then bankruptcy petitions filed in one year have exceeded one million. The Senate Judiciary Committee approved and reported out of committee to the full Senate, S. 1301, the Consumer Bankruptcy Reform Act of 1997, which would create 18 temporary bankruptcy judgeships, in addition to substantially modifying the bankruptcy

system. Further Senate action will wait until September. A House bill, H.R. 1596, the Bankruptcy Judgeship Act of 1997, passed in the first session of the 105th Con-

#### Bankruptcy Filings by Chapter of the Bankruptcy Code Years Ending June 30, 1994 through 1998

Year	Total	Chapter				
		7	11	12	13	Other
1994	845,257	578,903	17,098	976	248,246	34
1995	858,104	581,390	13,221	904	262,551	38
1996	1,042,110	712,129	12,859	1,063	316,024	35
1997	1,316,999	917,274	11,159	1,006	387,521	39
1998	1,429,451	1,015,453	9,613	845	403,501	39

(MORE)

gress, and would authorize seven new permanent bankruptcy judgeships and 11 temporary judgeships.

Of the total number of bankruptcy filings for the 12-month period ending June 30, 1998, there were 1,015,453 Chapter 7 filings, an increase of 10.7 percent over the 917,274 filings in the same period in 1997. The next largest group of filings were Chapter 13 filings at 403,501, a 4.1 percent increase over the 387,521 filings in the same period in 1997. Chapter 11 filings dropped to 9,613 in the 12-month period ended June 30, 1998, down from 11,159 in the same period in 1997. Chapter 12 filings also fell, going from 1,006 in 1997 to 845 in 1998. Business filings totaled 50,202, down from the June 30, 1997 total of 53,993. Non-business or personal filings totaled 1,379,249, up 9.2 percent from the 1,263,006 filings in 1997.

Among the U.S. bankruptcy courts, the Central District of California remained the district reporting the largest number of filings in the country with 119,776, a 6.3 percent increase over the same 12-month period in 1997. The Northern and Eastern Districts of California, the Middle District of Florida, the Northern District of Georgia, the Northern District of Illinois, the District of Maryland, the District of New Jersey, the Eastern District of New York, and the Eastern District of Virginia all showed over 30,000 bankruptcy filings in this period.

Chapter 7 is designed to allow individuals to keep certain exempt property while the remaining property is sold to repay creditors. Under Chapter 13 bankruptcy, creditors may be repaid in installments, in full or in part, over a 3- to 5-year period. Chapter 11 provides for a business to continue operations while formulating a plan to repay its creditors. Chapter 12 is designed to meet the needs of financially distressed family farmers.

A breakdown of the latest data on bankruptcy filings follows and is also available on the Judiciary's website at [www.uscourts.gov](http://www.uscourts.gov).

#### **Business and Non-business Bankruptcy Cases Filed, by Chapter During the Three-month Period Ended June 30, 1998**

Total Filings	Chapter 7	Chapter 11	Chapter 12	Chapter 13
373,460	272,188	2,160	234	98,867
Total Business	Chapter 7	Chapter 11	Chapter 12	Chapter 13
11,552	7,157	1,937	234	2,213
Total				
Non-Business	Chapter 7	Chapter 11		Chapter 13
361,908	265,031	223		96,654

#### **Quarterly Bankruptcy Filings 3-Month Period**

Ending	Total Filings
JUN. 30, 1998	373,460
MAR. 31, 1998	354,118
DEC. 31, 1897	347,685
SEPT. 30, 1997	353,515
JUN. 30, 1997	367,168
MAR. 31, 1997	335,073
DEC. 31, 1996	311,131
SEPT. 30, 1996	303,309
JUN. 30, 1996	297,162
MAR. 31, 1996	266,149
DEC. 31, 1995	244,494
SEPT. 30, 1995	233,593
JUN. 30, 1995	235,302
MAR. 31, 1995	212,626
DEC. 31, 1994	201,618
SEPT. 30, 1994	208,187
JUN. 30, 1994	216,213
MAR. 31, 1994	206,565
DEC. 31, 1993	206,570
SEPT. 30, 1993	215,498
JUN. 30, 1993	229,406
MAR. 31, 1993	222,694
DEC. 31, 1992	228,562
SEPT. 30, 1992	236,810
JUN. 30, 1992	250,622
MAR. 31, 1992	252,733
DEC. 31, 1991	234,383
SEPT. 30, 1991	231,743
JUN. 30, 1991	246,496
MAR. 31, 1991	231,017
DEC. 31, 1990	209,798
SEPT. 30, 1990	192,555

\*Because of ongoing corrections to the bankruptcy database, the quarterly data may not total to the most recent annual figures.

**TABLE F-2 U.S. BANKRUPTCY COURTS**  
**BUSINESS AND NONBUSINESS BANKRUPTCY CASES COMMENCED, BY CHAPTER OF THE BANKRUPTCY CODE,**  
**DURING THE TWELVE-MONTH PERIOD ENDING JUNE 30, 1998**

CIRCUIT AND DISTRICT	TOTAL FILINGS	TOTAL												TOTAL NON					
		TOTAL	CHAP. 7	CHAP. 11	CHAP. 12	CHAP. 13	FILINGS	BUSINESS	CHAP. 7	CHAP. 11	CHAP. 12	CHAP. 13	FILINGS	BUSINESS	CHAP. 7	CHAP. 11	CHAP. 13		
<b>TOTAL</b>	<b>1,429,451</b>	<b>1,015,453</b>	<b>9,613</b>	<b>845</b>	<b>403,501</b>	<b>50,202</b>	<b>30,708</b>	<b>8,632</b>	<b>845</b>	<b>9,978</b>	<b>1,379,249</b>	<b>984,745</b>	<b>981</b>	<b>393,523</b>					
DC.....	2,798	1,828	68	-	902	91	28	55	-	8	2,707	1,800	13	894					
1ST...	54,826	38,219	429	6	16,171	1,754	1,183	396	6	168	53,072	37,036	33	16,003					
ME.....	4,421	4,043	18	3	357	266	185	18	3	60	4,155	3,858	-	297					
MA.....	22,079	18,855	244	1	2,978	853	525	240	1	86	21,226	18,330	4	2,892					
NH.....	5,057	4,719	38	1	299	329	281	38	1	9	4,728	4,438	-	290					
RI.....	5,449	5,167	19	-	263	150	120	18	-	12	5,299	5,047	1	251					
PR.....	17,820	5,435	110	1	12,274	156	72	82	1	1	17,664	5,363	28	12,273					
2ND...	92,285	76,679	1,154	43	14,397	3,053	1,595	1,010	43	393	89,232	75,084	144	14,004					
CT.....	13,486	11,922	115	2	1,446	185	90	91	2	1	13,301	11,832	24	1,445					
NY,N....	16,440	13,985	65	21	2,369	653	425	61	21	146	15,787	13,560	4	2,223					
NY,E....	30,610	24,901	358	-	5,350	554	240	304	-	9	30,056	24,661	54	5,341					
NY,S....	16,470	14,194	523	-	1,743	739	244	467	-	18	15,731	13,950	56	1,725					
NY,W....	13,354	9,935	69	9	3,341	798	525	64	9	200	12,556	9,410	5	3,141					
VT.....	1,925	1,742	24	11	148	124	71	23	11	19	1,801	1,671	1	129					
3RD...	92,485	67,090	1,294	27	24,072	3,161	1,652	1,143	27	337	89,324	65,438	151	23,735					
DE.....	2,745	1,724	268	-	753	281	15	266	-	-	2,464	1,709	2	753					
NJ.....	44,497	31,298	550	1	12,647	1,008	536	455	1	15	43,489	30,762	95	12,632					
PA,E....	22,517	14,230	230	11	8,045	507	254	206	11	35	22,010	13,976	24	8,010					
PA,M....	10,349	8,853	88	9	1,399	874	532	82	9	251	9,475	8,321	6	1,148					
PA,W....	12,302	10,927	152	6	1,217	475	305	128	6	36	11,827	10,622	24	1,181					
VI.....	75	58	6	-	11	16	10	6	-	-	59	48	-	11					

CIRCUIT AND DISTRICT	TOTAL FILINGS	TOTAL												TOTAL NON					
		CHAP.			CHAP.			BUSINESS			CHAP.			CHAP.			CHAP.		
		7	11	12	13	FILINGS	7	11	12	13	FILINGS	7	11	12	13	FILINGS	7	11	13
4TH...	124,499	83,281	736	38	40,444	4,142	2,592	681	38	831	120,357	80,689	55	55	39,613				
MD.....	34,463	25,251	253	4	8,955	1,543	1,009	241	4	289	32,920	24,242	12	12	8,666				
NC,E....	10,358	4,894	42	13	5,409	393	180	42	13	158	9,965	4,714	-	-	5,251				
NC,M....	9,121	2,659	28	3	6,431	178	134	27	3	14	8,943	2,525	1	1	6,417				
NC,W....	7,059	3,223	32	1	3,803	84	49	32	1	2	6,975	3,174	-	-	3,801				
SC.....	11,319	6,123	70	7	5,119	315	141	60	7	107	11,004	5,982	10	10	5,012				
VA,E....	32,331	23,755	196	5	8,375	667	377	167	5	118	31,664	23,378	29	29	8,257				
VA,W....	11,097	9,135	73	4	1,885	595	432	70	4	89	10,502	8,703	3	3	1,796				
WV,N....	3,521	3,329	19	1	172	188	144	19	1	24	3,333	3,185	-	-	148				
WV,S....	5,230	4,912	23	-	295	179	126	23	-	30	5,051	4,786	-	-	265				
5TH...	114,249	61,998	887	127	51,237	4,021	2,003	800	127	1,091	110,228	59,995	87	87	50,146				
LA,E....	7,246	4,787	94	6	2,359	169	80	80	6	3	7,077	4,707	14	14	2,356				
LA,M....	2,821	1,904	23	1	893	57	32	21	1	3	2,764	1,872	2	2	890				
LA,W....	13,123	5,674	45	29	7,375	439	248	43	29	119	12,684	5,426	2	2	7,256				
MS,N....	6,539	3,928	41	10	2,560	143	67	40	10	26	6,396	3,861	1	1	2,534				
MS,S....	12,570	7,246	33	3	5,288	152	105	30	3	14	12,418	7,141	3	3	5,274				
TX,N....	25,194	12,825	258	49	12,062	1,427	697	241	49	440	23,767	12,128	17	17	11,622				
TX,E....	9,722	4,571	57	11	5,083	412	170	51	11	180	9,310	4,401	6	6	4,903				
TX,S....	19,288	11,136	222	7	7,923	694	302	191	7	194	18,594	10,834	31	31	7,729				
TX,W....	17,746	9,927	114	11	7,694	528	302	103	11	112	17,218	9,625	11	11	7,582				
6TH...	171,371	114,047	639	77	56,608	3,380	1,945	599	77	759	167,991	112,102	40	40	55,849				
KY,E....	9,607	8,317	19	4	1,267	255	178	18	4	55	9,352	8,139	1	1	1,212				
KY,W....	12,533	9,985	46	8	2,494	174	97	46	8	23	12,359	9,888	-	-	2,471				
MI,E....	28,626	21,177	162	8	7,279	468	268	155	8	37	28,158	20,909	7	7	7,242				
MI,W....	12,535	9,436	60	16	3,023	451	273	54	16	108	12,084	9,163	6	6	2,915				
OH,N....	27,287	22,362	64	8	4,853	516	346	64	8	98	26,771	22,016	-	-	4,755				
OH,S....	28,202	21,310	86	12	6,794	532	341	78	12	101	27,670	20,969	8	8	6,693				
TN,E....	16,308	8,502	50	8	7,748	399	168	49	8	174	15,909	8,334	1	1	7,574				
TN,M....	12,502	6,811	92	8	5,591	361	180	79	8	94	12,141	6,631	13	13	5,497				
TN,W....	23,771	6,147	60	5	17,559	224	94	56	5	69	23,547	6,053	4	4	17,490				

CIRCUIT AND DISTRICT	TOTAL FILINGS	TOTAL										TOTAL NON BUSINESS				
		CHAP. 7	CHAP. 11	CHAP. 12	CHAP. 13	BUSINESS FILINGS	CHAP. 7	CHAP. 11	CHAP. 12	CHAP. 13	FILINGS	CHAP. 7	CHAP. 11	CHAP. 13		
7TH...	122,741	98,539	529	82	23,590	3,479	2,486	509	82	401	119,262	96,053	20	23,189		
IL,N....	44,500	32,532	257	3	11,708	814	532	246	3	33	43,686	32,000	11	11,675		
IL,C....	12,784	11,137	35	13	1,599	133	76	34	13	10	12,651	11,061	1	1,589		
IL,S....	7,332	5,579	24	8	1,721	707	513	24	8	162	6,625	5,066	-	1,559		
IN,N....	14,224	12,289	52	15	1,868	216	130	48	15	23	14,008	12,159	4	1,845		
IN,S....	24,285	19,991	80	10	4,203	439	294	79	10	55	23,846	19,697	1	4,148		
WI,E....	13,269	11,230	27	6	2,006	314	238	27	6	43	12,955	10,992	-	1,963		
WI,W....	6,347	5,781	54	27	485	856	703	51	27	75	5,491	5,078	3	410		
8TH...	83,675	62,972	262	163	20,276	4,198	2,950	245	163	838	79,477	60,022	17	19,438		
AR,E....	10,412	5,630	25	8	4,749	249	126	23	8	92	10,163	5,504	2	4,657		
AR,W....	6,107	4,221	17	8	1,861	240	116	14	8	102	5,867	4,105	3	1,759		
IA,N....	3,987	3,838	8	7	134	218	186	6	7	19	3,769	3,652	2	115		
IA,S....	5,723	5,203	20	2	498	151	121	17	2	11	5,572	5,082	3	487		
MN.....	19,474	14,893	56	24	4,501	2,238	1,709	56	24	449	17,236	13,184	-	4,052		
MO,E....	15,770	9,933	46	3	5,788	285	200	44	3	38	15,485	9,733	2	5,750		
MO,W....	11,670	9,966	49	7	1,648	313	206	46	7	54	11,357	9,760	3	1,594		
NE.....	6,135	5,167	20	50	896	220	127	18	50	23	5,915	5,040	2	873		
ND.....	2,082	1,971	6	30	75	110	63	6	30	11	1,972	1,908	-	64		
SD.....	2,315	2,150	15	24	126	174	96	15	24	39	2,141	2,054	-	87		
9TH...	319,724	256,512	2,183	118	60,896	15,792	10,315	1,890	118	3,454	303,932	246,197	293	57,442		
AK.....	1,443	1,286	17	-	140	147	100	17	-	30	1,296	1,186	-	110		
AZ.....	24,654	19,479	342	8	4,825	781	362	299	8	112	23,873	19,117	43	4,713		
CA,N....	34,259	24,918	274	1	9,064	1,833	917	221	1	692	32,426	24,001	53	8,372		
CA,E....	38,071	32,808	141	37	5,083	2,406	1,668	125	37	574	35,665	31,140	16	4,509		
CA,C....	119,776	97,828	734	2	21,207	5,655	4,074	621	2	953	114,121	93,754	113	20,254		
CA,S....	19,229	14,471	74	-	4,683	188	126	56	-	5	19,041	14,345	18	4,678		
HI.....	5,113	4,562	38	-	511	159	111	36	-	10	4,954	4,451	2	501		
ID.....	7,456	5,797	54	48	1,557	525	263	52	48	162	6,931	5,534	2	1,395		
MT.....	3,716	2,977	21	16	702	215	142	16	16	41	3,501	2,835	5	661		

CIRCUIT AND DISTRICT	TOTAL FILINGS	TOTAL						TOTAL NON BUSINESS						
		CHAP. 7	CHAP. 11	CHAP. 12	CHAP. 13	FILINGS	CHAP. 7	CHAP. 11	CHAP. 12	CHAP. 13	FILINGS	CHAP. 7	CHAP. 11	CHAP. 13
NV.....	14,400	10,320	176	-	3,902	446	198	170	-	76	13,954	10,122	6	3,826
OR.....	17,883	14,530	52	-	3,300	2,207	1,621	48	-	537	15,676	12,909	4	2,763
WA,E....	7,471	6,181	52	5	1,233	388	234	48	5	101	7,083	5,947	4	1,132
WA,W....	26,127	21,255	201	1	4,670	812	476	175	1	160	25,315	20,779	26	4,510
GUAM...	118	94	5	-	19	25	20	4	-	1	93	74	1	18
NMI....	8	6	2	-	-	5	3	2	-	-	3	3	-	-
<b>10TH..</b>	<b>78,003</b>	<b>59,809</b>	<b>356</b>	<b>90</b>	<b>17,746</b>	<b>2,808</b>	<b>1,862</b>	<b>333</b>	<b>90</b>	<b>521</b>	<b>75,195</b>	<b>57,947</b>	<b>23</b>	<b>17,225</b>
CO.....	18,907	15,941	77	13	2,875	448	319	77	13	38	18,459	15,622	-	2,837
KS.....	13,178	10,431	68	26	2,653	335	187	57	26	65	12,843	10,244	11	2,588
NM.....	7,880	5,611	47	3	2,219	319	185	44	3	87	7,561	5,426	3	2,132
OK,N....	5,597	4,653	26	4	914	582	446	21	4	111	5,015	4,207	5	803
OK,E....	3,709	3,441	14	9	245	159	120	13	9	17	3,550	3,321	1	228
OK,W....	13,163	10,351	35	23	2,754	381	266	34	23	58	12,782	10,085	1	2,696
UT.....	13,500	7,565	71	8	5,855	493	286	69	8	129	13,007	7,279	2	5,726
WY.....	2,069	1,816	18	4	231	91	53	18	4	16	1,978	1,763	-	215
<b>11TH..</b>	<b>172,795</b>	<b>94,479</b>	<b>1,076</b>	<b>74</b>	<b>77,162</b>	<b>4,323</b>	<b>2,097</b>	<b>971</b>	<b>74</b>	<b>1,177</b>	<b>168,472</b>	<b>92,382</b>	<b>105</b>	<b>75,985</b>
AL,N....	22,478	8,069	99	4	14,305	422	169	91	4	157	22,056	7,900	8	14,148
AL,M....	6,563	2,812	21	7	3,723	221	124	20	7	70	6,342	2,688	1	3,653
AL,S....	4,763	2,247	18	-	2,498	88	42	12	-	34	4,675	2,205	6	2,464
FL,N....	5,034	4,175	20	2	837	115	60	20	2	33	4,919	4,115	-	804
FL,M....	43,568	33,912	326	11	9,318	1,231	692	294	11	233	42,337	33,220	32	9,085
FL,S....	27,769	20,843	323	3	6,598	795	451	296	3	43	26,974	20,392	27	6,555
GA,N....	34,832	13,850	190	2	20,790	988	398	162	2	426	33,844	13,452	28	20,364
GA,M....	15,077	5,649	32	39	9,357	186	67	30	39	50	14,891	5,582	2	9,307
GA,S....	12,711	2,922	47	6	9,736	277	94	46	6	131	12,434	2,828	1	9,605

\*THESE FIGURES INCLUDE THE FOLLOWING CASES NOT REFLECTED ELSEWHERE:

MA.....SECTION 304 = 01	CT.....SECTION 304 = 01	NY,E...SECTION 304 = 01
NY,S...SECTION 304 = 10	NJ.....SECTION 304 = 01	PA,E...CHAPTER 9 = 01
IN,S...SECTION 304 = 01	NE.....CHAPTER 9 = 02	CA,N...SECTION 304 = 02
CA,E...SECTION 304 = 02	CA,C..SECTION 304 = 05	CA,S...SECTION 304 = 01
HI.....SECTION 304 = 02	NV.....SECTION 304 = 02	OR.....SECTION 304 = 01
CO.....CHAPTER 9 = 01	UT.....SECTION 304 = 01	AL,N...CHAPTER 9 = 01
FL,M...SECTION 304 = 01	FL,S..SECTION 304 = 02	